

# ***Headquarters U.S. Air Force***

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*Integrity - Service - Excellence*

## **Air Force Program Executive Office for Services (AFPEO/SV)**



**Mrs. Kathleen Miller**



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# AFPEO Mission

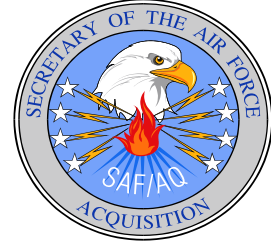


Assuring agile mission support through  
the acquisition of world-class  
performance-based services for the  
war fighter

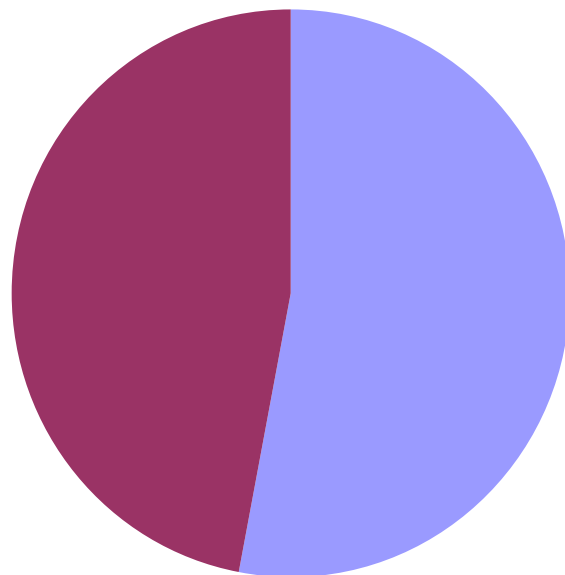


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# Why AFPEO/SV?



## Procurement Funds



■ Services  
■ Products

**AF Procurement Spending FY01**



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# Background

## NDAF FY02



- Management of Procurement of Services:
  - Establish a Management Structure for Procurement of Services Comparable to the Procurement of Products by DoD
  - Designate an Official to Be Responsible for Management of the Procurement of Services
  - Authorizes SECDEF to Establish the Dollar Threshold and Other Criteria Approving Service Acquisitions
  - Designee Will Collect and Analyze Data



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# Background

## NDAA FY03



- Removed Specific Savings Goals
- Established Goals for Implementation of Performance Based Service Acquisitions (PBSA)
- Reduced FY03 Authorization for Assumed Savings From Use of PBSA
  - Appropriations Reduced \$183M
- Requires an Annual Report on Progress



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# **Management and Oversight of Acquisition of Services Process (MOASP)**

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- AF MOASP Approved by USD(AT&L), 7 Feb 2003
- Implements PL 107-107, Section 801(d), NDAA FY02
- Management Tools
  - Pre-award - Key Acquisition Milestone Events
  - Post-award – Existing Wing/Base Advisory Group or Equivalent
- Designated Official (DO) Implements MOASP



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# Oversight Review Thresholds



● OSD →

Efforts > \$2B  
Special Interest

● AFAE →  
(Delegated to AFPEO)

Efforts > \$500M  
Special Interest

● AFPEO →

PEO Designated Weapon System  
Other Service Efforts > \$100M  
A-76 Studies = 300 FTEs  
Special Interest

● MAJCOM →

Efforts > \$100K



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# MOASP Overview



- Establishes Management Controls & Reviews to Ensure Successful Acquisition of Services
- Management Tools
  - Pre-award – Performance Based Requirements, Metrics for Control
  - Post-award – Contract Execution / Program Reviews
  - Reporting Database





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# DO Reviews



- Pre-Award Review
  - PBSA/Management Controls
  - Prior to RFP Release & Contract Award
- Initial Execution Review
  - Successful Transition, Within Budget
  - Within 30 Days of Full Performance by Ktr
- Annual Execution Review
  - Performance/Cost Satisfactory
  - Uses Metrics Established at ASP/K Award



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# AFPEO/SV Portfolio

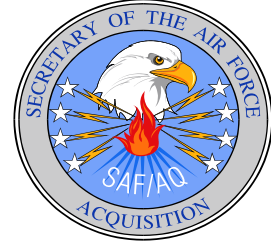


- All Services Contracts >\$100M or A-76 Studies Involving 300+ Positions
  - Special Interest
  - Others with Significant Services Involved
- Except
  - Services Directly Associated With a Weapon System Stay With the System's PEO
  - FFRDC's Stay With SAF/AQX
- Excluded are NAF Services, Construction, A-E, and Housing/Utilities Privatization



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# AFPEO/SV Portfolio



- Identified to Date:
  - Over 150 Programs
  - Over \$60 Billion
- 40 Contracts to be Awarded in Next 18 Months
- Other Actions:
  - Public/Private Competitions
  - BIC Initiatives – Core Competencies
  - BPAs/IDIQs



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# AFPEO/SV Roles

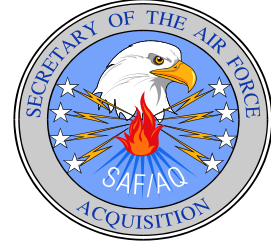


- Head of the Contracting Agency (HCA)
- Designated Official (DO)
  - PBSA Determination/Waiver
  - Approve non-DoD Contracting
  - ✓ *Initial Execution Review*
  - ✓ *Annual Execution Review*
- Acquisition Strategy Panel (ASP) Chair
- Acquisition Plan (AP) Approval Official
- Request for Proposal Release Authority
- Source Selection Authority (SSA)
- ✓ *Clearance Authority*
- ✓ *Award Fee/Term Determining Official (FDO)*
  
- ✓ *Italicized Items Often Delegated*



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# AFPEO/SV Focus

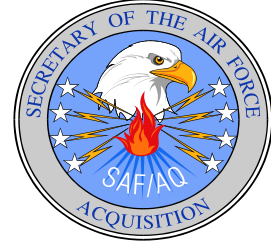


- Provide Central Focus on Services Acquisition
- Post Award as Important as Pre-Award
- Performance Based Services Acquisition
- Apply Lessons Learned/Best Practices from across Multiple Commands/Agencies



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# Focus on PBSA

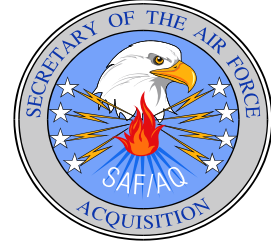


- Requirements Described in Terms of Outcomes or Measured Mission-Related End Results
- Performance Measured by Standards/Thresholds
- Quality Assurance Surveillance Plan and Service Delivery Summary
- Incentives
- Shift Focus From “Contracting” to “Acquisition”
  - Continuing Functional Engagement Essential
- Encourage Use of FAR Part 12 Procedures
- Partner With Industry to Establish a Positive Business Relationship With Contractors
- Firm Fixed Price Contracting Arrangement Preferred



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# Keys to Success

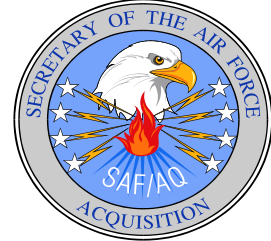


- Openness – Communicate with all parties, including the Vendor Community
- Teamwork on the Acquisition – The IPT must include customers, QA, contracting, finance, payment, contract (PCO & ACO), contractors when appropriate
- Site Visits
- PBSA – Don't mandate AFI processes; identify required outcomes
- Encourage/Require initiative, alternatives, best practices. (Bid to AFI, but offer other in proposal)



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# Items Needed for ASP



- Draft Acquisition Plan or SAMP
- Program Overview
- Market Research
- Risk Assessment
- Evaluation Factors/Criteria (Tied to Risks & Expected Discriminators)
- Source Selection Disclosure Statements
- Recruitment/Training/Transition Issues
- Contract Type/Pricing Structure/CLIN Structure
- Incentives
- Quality Plan and Metrics
- Strike Plan (Both Contractor and Government)
- Required Delegations





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# ASP Timing



- Early Involvement of AFPEO/SV Staff Essential
- Schedule ASP 90 Days Prior
- Executive Overview to ASP Secretariat 45 Days Prior
- Draft of All Items Required at least Two Weeks Prior



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# Common Problems

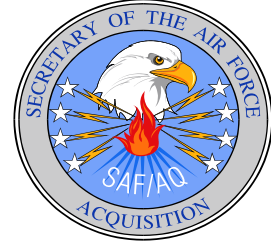


- All Stakeholders Not On IPT & Involved Early
- Didn't Read FAR or Supplements for Required Elements
- No or Inadequate Performance/Execution Metrics (What's really important?)
- Good Risk Assessment with Key Items Tied to SS Evaluation Factors or Elements?
- Do You Have a Strike Plan? Chapter 7/11?
- Adequate # of QA Personnel Assigned? Trained for PBSA?



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# Common Problems



- Transitions Plans Addressed? In SS Evaluation?
- Recruitment, Retention, & Training Addressed?
- Cost Realistic, Reasonable, as Evaluation Criteria?
- Waivers and Delegations Requested



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# **Future Issues to Address**

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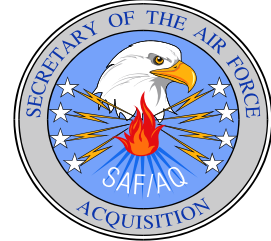


- **MOASP Implementation**
  - **Delegations to MAJCOM Designated Official**
  - **Field Implementation**
- **Educate MAJCOM, Installations on AFPEO/SV Roles**
- **Review all AF AFIs versus PBSA Principles**
- **Long-term Contracts**
- **Evaluate Information in the Field for Currency/Accuracy**



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# Contacting AFPEO/SV



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